



Strategy Day 19/9/2006



Kingspan Insulation Ltd

Strategic Plan

2006-2010



Current Position for Insulation Board

- Phenolic product sales in Britain and Ireland are forecast to increase by ■% in 2007 and ■% in 2008
- The housing market as a percentage of the total construction market represents 43% in Britain and 80% in Ireland.
- Annual construction growth of 2% per annum is expected in Britain with 3% projected for Ireland
- Quinn, Ecotherm and others are steadily taking smaller segments of market share through distribution and direct merchant accounts



Key Business Drivers

- Achieve expected benefits from 2006 building regulations in Britain (+■M m² of board sales over 3 years).
- Integration of ISO business and achievement of manufacturing and logistic efficiencies alongside planned growth in volume.
- Additional phenolic capacity in Castleblayney for Irish and British markets.
- Manufacturing cost reduction targets around density, yield and utilisation.
- Competitive pressure and expected new entrants into British market to impact upon selling prices.
- Continued capital investment for manufacturing capacity/upgrades.
- Expansion in to Central Eastern Europe markets.



Assumptions ~ Britain

- 2006 Building Regulations implemented Qtr 2 – impact Qtr 1 2007
- Competitive pressures around product selling prices are expected to lead to an average of ■% reduction on Therma and Kooltherm (over 3 years)
- Regulations are expected to generate ■M sq mtrs of product sales through conversion by 2010. In addition, average product thickness is expected to increase
- New phenolic line to be installed in Castleblayney during 2007 to provide volumes for the northern British market with deliveries direct from Castleblayney
- There is no further lamination capacity expected at Pembridge throughout this strategic plan. Additional volume is expected to be generated in Chesterfield to service the northern Britain market

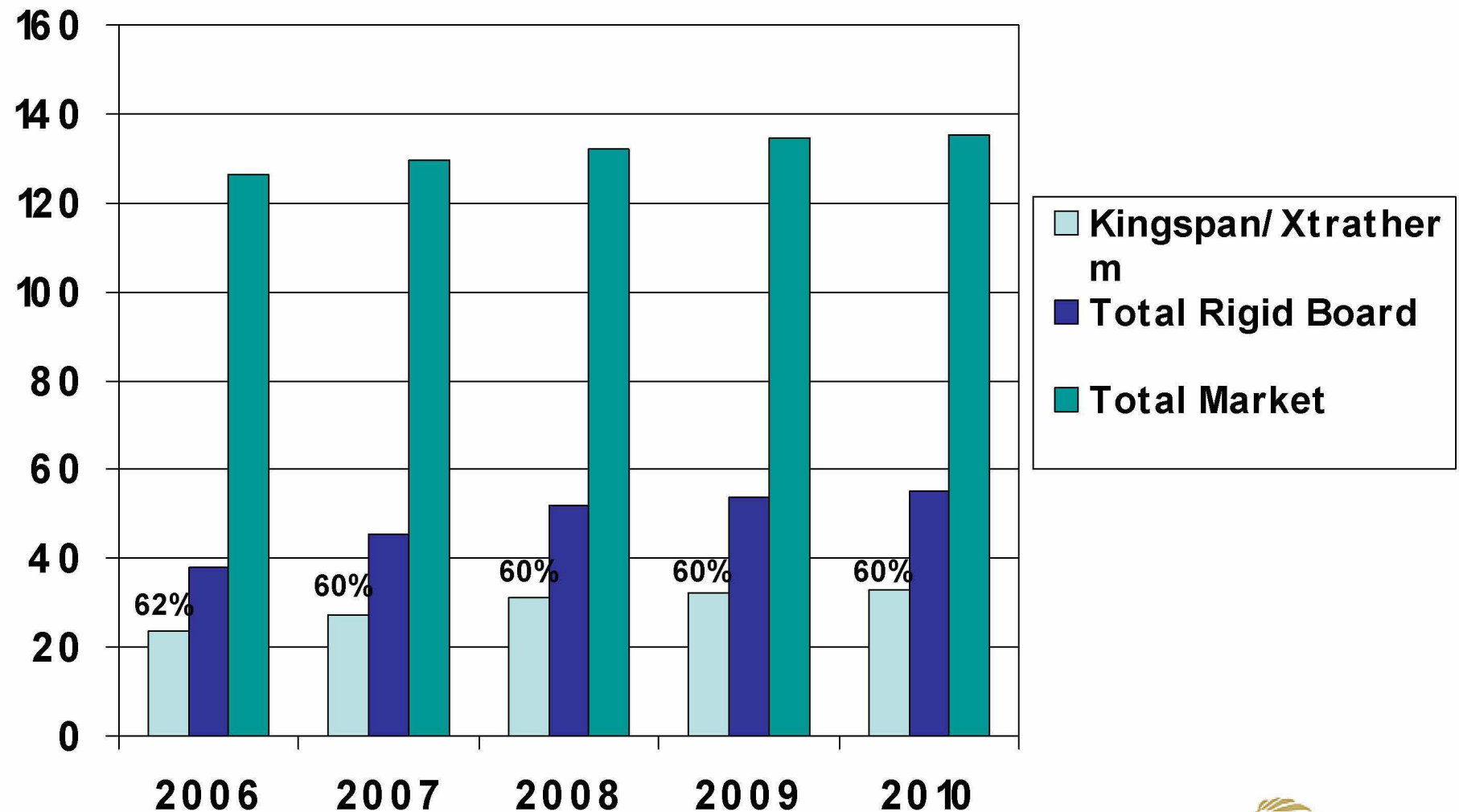


Assumptions ~ Europe

- The acquisition of available businesses within Central Eastern Europe will be explored to assist expansion plans. A greenfield site option is now being considered as an alternative
- Achievement of application approval for Kooltherm in the German external wall market by 2007
- Product certification in France to be achieved by end of 2007 for supply in 2008
- Extended single shift production at Kesteren with no supply into Ireland/Britain from 2007 (double shift planned for 2009)



Market Share of Rigid Board (UK, Millions Sq Mtr)



Structural Team



Opportunities for....

Kooltherm[®]

Therma zero ODP

Styrozone[™] zero ODP



New Building Regulations



Kooltherm

- Specification- Via ASM's/ BDM's
- Pivotal- Via ASM's- Database
- Technical Calcs
- Stock Profile
- Product Champion
- Possible Promotion?



Technical service ...

- 21 External Sales Managers – mainly involved in specification with architects but also with Design Teams
 - Design expertise
- 12 Technical advisors including 3 SAP Assessors
- Application Manager responsible for accreditation & certification
 - Link to BRE, BBA and NHBC



Kooltherm K3, K7, K8

K17, K18

Distributor Stock Levels



Kooltherm Distributor Stocking Levels

K3 50mm at least one pallet

K7 50 and 60mm at least one pallet of each

K8 50mm at least one pallet

K18 25 and 50mm at least one pallet of each



Kooltherm

- Fire Protection/ Soffit



Top Soffit and Fire Protection Company's

- R + S Driwall
- Pyrotec IPCL
- Aaranite Sharpe Fibre
- Oak Fire Shield
- B+K Southern West Anglia
- WRR G+A
- Sajen 2000 Rilmac
- IFP Fire safe
- Total Fire stopping Structural Fire Proofing
- Brimset



Kooltherm

- Rainscreen



BS8414-1: Fire performance of external cladding systems

- Kingspan Kooltherm® K15 Rainscreen Board has been awarded certification to BS 8414-1: 2002 and has also been assessed and approved in accordance with BR 135.
- Kingspan Kooltherm® K15 Rainscreen Board can meet the requirements of Approved Document B above 18 metres.



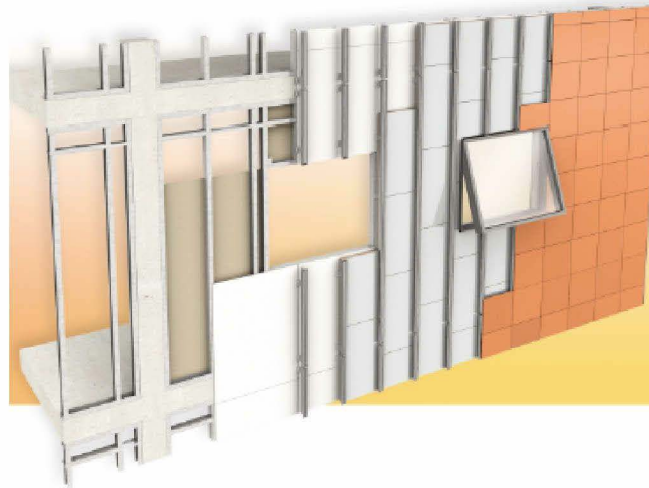
www.rainscreenworks.com



TRESPA



EJOT



rainscreenworks.com



Therma

- Housebuilders



Therma/Kooltherm

- Groundworking Contractors
- Dry Lining & Screeding
- Underfloor Heating Manufacturers

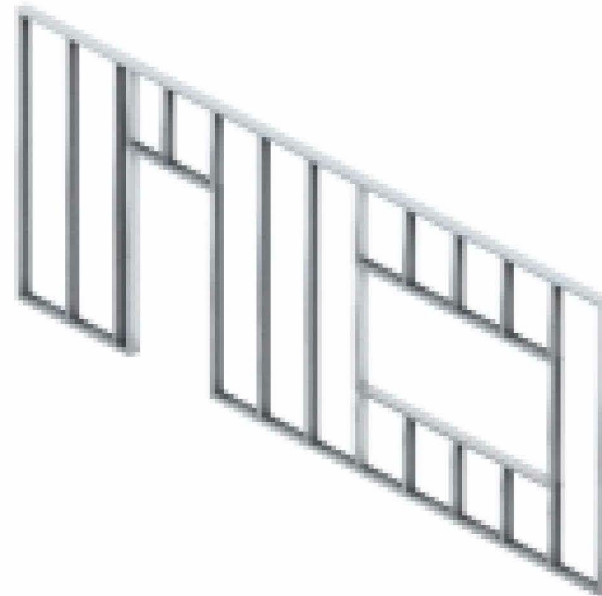


Federation of Plastering and Drywall Contractors



Therma/ Kooltherm

- Steel Frame



Metsec Steel Frame Wall / Rainscreen

Thicknesses (mm) to Achieve a U-value of 0.35 W/m².K

K15

55

Thicknesses (mm) to Achieve a U-value of 0.27 W/m².K

K15 + metal studs filled with fibre

80

* Convention on U-value calculations?



Styrozone

- Cold Store Market
- Basement Development
- Groundworkers
- Market Competitive Rates



Roofing Team



Roofing

- Figures YTD vs 2005
- Opportunities
- Target Areas
- New Branch Opportunities



Opportunities

- Roofing focal point
- Training in branch (change in regs and the opportunities this opens up)
- Use of tapered training facility for staff and customers
- Monthly meetings with Kingspan ASM
- Quarterly review meetings Chaired by Minster regional director and SB/CM



Opportunities Contd.

- Agree Roofing stock profile at all branches
- Open up database of tapered and flat enquiries
- Use pivotal database to all roofing enquiries
- Utilise Rakesh in London/ Home counties

Specifically Inverted/ Chevron/ Roof Gardens

- Work together to optimise Rockwool's withdrawal of Duoslab (K11 Acoustic Specification)



Target Areas

- London S/C
Bracknell Roofing
Kovara Projects
Angus Roofing
WWR Roofing
Abel Roofing
- Home Counties
Cambridge Asphalt
Cambridge Felt
Alpha Roofing
Belmont Roofing



Target Areas

- South East
Swift Roofing
Southern Membranes
Durabel Roofing
SD Samuels
- Midlands
Brindley Asphalt
Limmer Roofing
Howard Evans
Modern Flat Roofing
Protec Roofing



Target Areas

- North of England
 - O'Turners
 - Byron Roofing
 - Ward Roofing
 - Everlast
 - Jennings Roofing
- Scotland
 - Advanced Roofing
 - ABR Roofing
 - Braedale Roofing
 - Amber Roofing



New Branch Opportunities

- Bristol
- Sheffield
- Truro
- Scotland?
- Norwich?



Business Development Team



Business Development Team

Kooltherm Specification Managers

Adrian Stanton - South

Dave Collier - North

- Housebuilder Manager

Phil Hodges - National

- Tapered Roofing Manager

Richard Bromwich - National

- Kooltherm Product Manager

Steve Huxham - National



Housebuilding Objectives

- Maintain existing TW50 business in terms of m2 but at increased thickness; average 25 to 40mm
- Maintain (or slight increase) existing TP10 business in terms of m2 but at increased thickness; average 80 to 100mm. Additionally to substantially grow K18 for use on the underside of rafters; 37.5 or 42.5mm
- Convert 10 million m2 XPS floor market to PIR; mainly 75mm. Maintain TF70 sales in line with current PIR market share



Tapered Roofing Objectives

- Fight back at the market share lost to hot melt/zero falls systems
- Lead review for re-design our product offering, thicker single piece boards, pre-mitred boards etc
- Drive specification effort into London based architects to grow market
- Double Tapered Sales over next five years



- Drive Kooltherm specification effort in to major projects partly through architects but increasingly through Design Managers at D&B Contractors
- Concentrate on our best niche markets, K10, K15, K5EWB but also on K3/K7/K8
- Utilise project tracking system to share information with our commercial teams
- Encourage better relations with sub-contractors by passing over our leads at earlier stages than previously we have been able to do



Tomorrows Target Catch- Huxy Junior



The Ship's Captain

